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SUBJECT: BRAZIL CORRUPTION SCANDAL UPDATE, WEEK OF 10-14
OCTOBER 2005

Ref: Brasilia 2687 and previous

[11.](#) (U) SUMMARY. On October 12, the Brazilian Civilian Police found the body of Carlos Delmonte Printes, the medical examiner who initially determined that Santo Andre's PT Mayor Celso Daniel had been tortured before being shot dead in early 2002. Printes' death marked the seventh among persons in one way or another connected with the Daniel case. Also this week, five PT congressmen requested the STF to delay the opening of their impeachment process. If the STF rejects the request, they may resign on Monday, October 17. Four PP congressmen and another from the PMDB faced with similar charges are watching the results of this appeal before deciding their own course of action. Meanwhile, the results of the PT internal election of last Sunday are almost all in - to the point that Raul Pont has conceded victory to Ricardo Berzoini as the party's next president. END SUMMARY.

SEVENTH DEATH RELATED TO CELSO DANIEL CASE

[12.](#) (U) On October 12, Carlos Delmonte Printes, 55, the medical examiner who initially determined that Santo Andre PT Mayor Celso Daniel had been tortured before being murdered in early 2002, was found dead in his Sao Paulo office. The Brazilian Civilian Police found the body with no apparent signs of violence; however, a preliminary report released by the Sao Paulo Medical Law Institute stated that Printes did not die of "natural causes". The final report is likely to be released in 10 days and the possibility of suicide seems most probable (although homicide has not yet been absolutely ruled out).

[13.](#) (U) Printes initial analysis indicated that the mayor was tortured before being shot dead. But the final report released at the time did not confirm Printes' findings. In early 2005, Printes publicly stated that he had been pressured by politicians to say that Daniel's murder was the result of common crime -- kidnapping followed by murder -- and repudiate his torture accusations. Printes' death, just days before a confrontation in the Bingos CPI between Gilberto Carvalho -- President Lula's chief of staff, who is accused by the Daniel family of involvement in an alleged Sao Andre municipal corruption scandal that the mayor was about to expose -- and Daniel's brothers, Joao Francisco and Bruno, elevated the level of suspicion among some congressmen. "This is the seventh death related to the Celso Daniel case. Printes' death gives more credibility to the thesis of a political crime", stated Jose Agripino, an opposition (PFL) leader in the Senate. (NOTE: The CPI on Bingo activities is also investigating corruption in PT-dominated municipalities, which some analysts contend set the stage and established the model for the national-level corruption scheme led by elements of the PT and exposed in recent months, per refs. END NOTE.)

[14.](#) (U) The six deaths previously related to the Daniel case were those of: Dionisio Aquino Severo, one of Daniel's kidnapers, killed in jail three months after the murder; Sergio "Orelha", who sheltered Severo after the crime, shot dead in November 2002; police investigator Otavio Mercier, killed in July 2003; Antonio Palacio Oliveira, the waiter who served Daniel the night he was killed, chased by two men and killed after having crashed his motorcycle into a pillar in February 2003; Paulo Henrique Brito, who witnessed the death of the waiter, killed 20 days later; and coroner official Iran Moraes Redua, who first recognized Daniel's body, shot dead in December 2003.

CONGRESSMEN TRY TO DELAY EXPULSION

[15.](#) (U) On October 13, five of the six PT congressmen who may face an impeachment process in the Chamber requested that the Supreme Federal Court (STF) delay the opening of investigations against them in the Lower House's Ethics Committee, initially scheduled for Monday, October 17. Joao Paulo Cunha, Jose Mentor, Professor Luizinho, Paulo Rocha, and Josias Gomes, accused of receiving illegal money from "bagman" Marcos Valerio, argue that the Chamber's presidency did not assess their cases separately, as requested by the STF, and, therefore, should not forward them to the Ethics Committee. If this appeal is not successful, some of the congressmen may well resign on

Monday, in order to avoid formal ethics proceedings that could lead to the loss of their political rights. Meanwhile, four similarly accused PP (Progressive Party) congressmen - Jose Janene, Pedro Correa, Pedro Henry and Vadao Gomes, as well as Jose Borba of the PMDB - are watching the fate of the "petistas'" appeal before deciding their own course of action.

RESULTS FROM PT INTERNAL ELECTIONS

16. (U) Almost all the results have been counted from the second round of last Sunday's internal PT elections. And the outcome is that Ricardo Berzoini of the incumbent Campo Majoritario faction has bested Raul Pont (standard-bearer of more leftist elements) by a narrow margin and will become president of that party on October 19. Berzoini's victory is a positive development for President Lula -- who did not want to see critics of his faction and government assume the leadership of the PT. But, on the basis of voting percentages in the first round, its new chief will have to preside over a national leadership council within which the "Campo Majoritario" (the centrist faction associated with Lula's government but discredited by the past five months of scandals) no longer enjoys its majority standing of the past.

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